



Budget Development Update

2020-2021

Board of Education Meeting

January 21, 2020



Agenda



- Proposed Items to Maintain in 2020-2021
- Salaries – First Look
- Ongoing Discussions – Aligning Resources with District Focus Areas
- Reserve Plan & Fiscal/Environmental Stress Monitoring





Proposed Items to Maintain in 20-21

- Added Teacher in Kindergarten
- 2 Teacher Assistants Added to Kindergarten
- 1 Additional Teacher Aide
- Single Point of Entry (SPE) Attendant (10-month position)
- School Aide – Added Hours to Assist with SPE



Salaries – First Look



SALARIES	2020-2021	2019-2020	Dollar Change	% Change
Instructional	\$ 9,093,068	\$ 8,670,394	\$422,674	4.87%
Non-Instructional	\$ 2,102,776	\$ 1,937,443	\$165,333	8.53%
TOTAL	\$11,195,844	\$10,607,837	\$588,007	5.54%

Things to Consider...

- Contract Negotiation Changes
- Possible Retirements
- Enrollment by Grade Level
- Continued Alignment Work with Administrative Cabinet



Aligning Resources with District Focus Areas



- Intentional Alignment of UPK-12 Systems & Procedures
 - Climate, Culture, Communication
- Implementation of High-quality, Standards aligned Tier 1 Instruction
 - Social-Emotional Learning (SEL)
 - Technology Integration
 - Student Engagement

How does the budget development process support these focus areas?



Focused Discussions...



- Professional Learning
 - 3 Item Budget Focus for 20-21:
 1. Soaring to Excellence Committee
 2. Shared Data Team
 3. Training Admin Team – Next Generation Standards; Instructional Leadership
 - Fiscally Restructuring our Professional Development Resources to Meet Our 20-21 goals

“It’s about continuous improvement.” – S. Callahan



Focused Discussions...



- Summer Programs
 - SLA (Summer Learning Academy)
 - MLA (Middle Level Academy)
 - ESY (Extended School Year for Student with Disabilities)
 - FITS (Fun In The Sun)
- *Analyzing* our student data and *refreshing* these programs to best prepare our students for the upcoming school year academically and social-emotionally while also being fiscally responsible.



Focused Discussions...

- Tutoring
- Special Education
- Operations & Maintenance
- Equipment

Up Next...

- Athletics
- Instructional Technology (IT)
- BOCES Services





Reserves

“The District Reserve Plan”





District Reserve Plan & Fiscal Stress Update

- Audit Committee – Reserve Plan Review
- Reserve Balances
- Fiscal/Environmental Stress Update Based on 2019 Data
- Proposition Recommendation for 20-21
 - Capital Projects Reserve



OSC Recommendation for the Prudent Use of Reserves



“The practice of planning ahead and systematically saving for capital acquisitions and other contingencies is considered prudent management... Reserve funds can be utilized to help protect the budget against known risks (a potential lawsuit) or unknown risk (a major ice storm).”

Office of the New York State Comptroller – Local Government Management Guide – Reserve Funds, Pg. 2.



Reserve Balances



Summary of Reserves	Balance	19-20 Budgeted Reserves	Balance Est. 6/30/20
Unemployment Reserve	1,034,617	9,000	1,025,617
Tax Certiorari Reserve	1,939,424		1,939,424
Capital Reserve for Projects	4,385,893		4,385,893
Capital Reserve for Equipment	1,062,108	132,962	929,146
Capital Reserve for Technology	2,242,374	287,341	1,955,033
Employee Benefit Reserve	308,181		308,181
Retirement Contribution Reserve	2,008,801	165,000	1,843,801
Insurance Reserve	505,540		505,540
Workers Comp Reserve	429,188	120,000	309,188
Debt Service Reserve	1,129,626	457,921	671,705
Total	\$15,045,752	\$1,172,224	\$13,873,528





Fiscal/Environmental Stress Monitoring

- The State Comptroller evaluates school districts financial condition through The Fiscal Stress Monitoring System each year. It measures based on both financial and environmental indicators.
- **Financial indicators** include testing critical areas such as year-end fund balance, operating deficits, cash position and reliance on short-term cash-flow debt.
- **Environmental indicators** for school districts are measured by poverty, class size, teacher turnover, tax base, budget support and percent of English-language learners.



Fiscal/Environmental Stress Monitoring



School District Fiscal Stress Designations	Total Accumulated Points
Significant Fiscal Stress	65-100
Moderate Fiscal Stress	45-64.9
Susceptible to Fiscal Stress	25-44.9
No Designation	0-24.9

School District Environmental Stress Designations	Total Accumulated Points
Significant Environmental Stress	60-100
Moderate Environmental Stress	45-59.9
Susceptible to Environmental Stress	30-44.9
No Designation	0-29.9



What are Our Scores?



Fiscal Year End	Fiscal Score	Designation	Environmental Score	Designation
2017	3.3	No Designation	0	No Designation
2018	3.3	No Designation	8.3	No Designation
2019	3.3	No Designation	13.3	No Designation

- Fiscal Indicator – Cash % of Monthly Expenditures
- Environmental Indicator(s) – Economically Disadvantaged Students; New for 2019, Turnover Rate of All Teachers





Capital Reserve Proposition for 2020-21

- Last authorized in 2014
- Continued use of Capital Reserve to fund unaided items and keep from increasing taxes for a capital improvement project

- **Example of Proposition:**

“RESOLVED, that the Board of Education of the East Rochester Union Free School District be authorized to establish a Capital Reserve Fund in order to defray the cost of Capital Projects and, in order to accomplish the same, said Board is hereby authorized to establish the ultimate amount of such Reserve Fund to be \$5,000,000 with a probable term of twenty years and to appropriate funds of said School District to such Reserve Fund.”



What's Next?



- Continue Aligning Budget Initiatives with the District's Vision, Mission, and Core Values
- Continue Budget Discussions with Administrative Cabinet
- Continue Framing the 2020-21 Budget as Information Develops
 - Deeper Look at Expenditures
 - First Look at Governor's Proposed Budget for 20-21
- *Next* Budget Workshop: February 11, 2020
- *Next* Board Meeting & Budget Update: February 25, 2020

